



Colorado Department Of The Treasury

Cary Kennedy- State Treasurer

Treasury Notes

May 9, 2008

www.colorado.gov/treasury/

Treasury Notes May 2008

Welcome to **Treasury Notes** – a periodic email that I send to update you about our work at Treasury.

\$ Economic Update \$

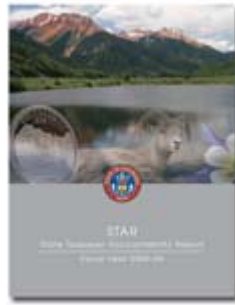
Colorado's economy has slowed down but our state is expected to outperform the rest of the nation due to gains in the energy sector, the advanced technology sector, and international tourism strengthened by a weaker dollar.

- Colorado's forecast for General Fund tax revenues decreased by \$169.5 million for FY 2007-08 and by \$486.7 million over the next five years.
- Colorado's unemployment rate went up .7% over the past year to 4.4% in March. The national unemployment rate is 5.1%.
- Foreclosure filings in Colorado increased 40% from 2006 to 2007, with 11,400 more foreclosures in 2007 than 2006. Statewide, there was approximately one foreclosure filing per 45 households for 2007.
- For the 2006 calendar year, the Colorado Geological Survey estimated the total value of oil and gas production at \$8.58 billion, up 220% from five years ago.
- Treasury is not invested in subprime-backed investments or structured investment vehicles (SIVs). The Treasury investment pool has earned a 4.6% rate of return over the past 12 months.

Transparency Brings Accountability

Over the past year we have greatly expanded the amount of financial data that is available on Treasury's website. View the new material at <http://www.colorado.gov/treasury>, which includes the following:

- The State Taxpayer Accountability Report (STAR) – a new annual report for taxpayers. Look for the **new** STAR report coming in June!



- A complete list of the state's investment holdings
- A daily balance sheet for the state's investment pool
- Monthly cash flow statements
- Maps showing the local distribution of highway funds and mineral revenues
- Audit of Treasury's investment performance (1999-2006)

“Help at Last for Unsafe Schools”

- The Denver Post

With 69 Republican and Democratic co-sponsors, legislation to repair and replace aging school buildings received strong bi-partisan support in the legislature. Over the past year I worked with House Speaker Andrew Romanoff, Senate President Peter Groff and Senator Gail Schwartz to develop legislation called “**Building Excellent Schools Today**” - or **B.E.S.T.** The program will allow the state to leverage income from the [School Trust Lands](#) to provide up to \$1 billion for school capital construction over the next several years.

It’s “help at last for unsafe schools” said the Denver Post, recognizing that kids in about 80 of the poorest school districts in this state “will finally get a fair shot at the educational opportunities they were promised in 1876.” Read the Post’s editorial at: http://www.denverpost.com/opinion/ci_9044894.



Centennial School District (Costilla County) K-12 music classroom; photo courtesy of **Great Education Colorado** (2006)

Lowering Costs for Colleges and Universities

Disruptions in the financial markets have driven up costs for Colorado's colleges and universities to finance construction projects such as dormitories and student centers. This year I supported legislation that will allow colleges to borrow at lower costs under a state intercept program. Ft. Lewis, Mesa State, Auraria, Western State, Adams State and other smaller campuses will be able to avoid paying higher interest costs, thus saving students and taxpayers tens of millions of dollars.

Returning Coloradans' Lost and Forgotten Assets

2007 was a record year for returning Coloradans' their lost and forgotten assets through the **Great Colorado Payback**. Our progress this year includes:

- Passing legislation to protect assets in the Unclaimed Property Fund;
- Making it easier for people to claim assets under \$100;
- Showing whether assets are valued at more than \$50 on our website; and,
- Working with Congress to build a database so Coloradans can search for their unredeemed U.S. savings bonds

Please check to see if you have unclaimed property at www.greatcopayback.com

Would You Like the Treasurer to Speak to Your Organization?

If you would like the Treasurer to attend or speak at an event, please go to our website at www.colorado.gov/treasury and click on the link for Schedule Request or you can call at 303-866-2441.